

Honolulu, Hawaii

FEB 09 2007

RE: S.B. No. 1917

S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committees on Human Services and Public Housing and Commerce, Consumer Protection, and Affordable Housing, to which was referred S.B. No. 1917 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

beg leave to report as follows:

The purpose of this measure is to:

- (1) Provide funding for various homeless shelters and transitional housing programs and services;
- (2) Require the Hawaii Finance and Development Corporation to create an affordable housing inventory registry to identify state and county lands that may be used for affordable housing;
- (3) Extend the sunset date for the allocation of fifty per cent of conveyance tax revenues to the rental housing trust fund to June 30, 2009; and
- (4) Provide funding for various affordable and public housing programs.

The Office of the Governor, the Hawaii Housing Finance and Development Corporation, the Hawaii Public Housing Authority, and the City and County of Honolulu Department of Community Services submitted testimony in support of the intent of this measure. The Hawaii Association of Realtors, the Hawaii Family Forum, Catholic



Charities Hawaii, the Affordable Housing and Homeless Alliance, the Waikiki Health Center, Hawaii Habitat for Humanity Association, and two individuals submitted testimony in support of this measure.

Your Committees find that the homeless and affordable housing crises continue to be one of the State's most significant and challenging social problems. Meaningful solutions to Hawaii's housing and homeless problems must be found. Several testifiers noted that the conveyance tax is a good source of revenues, with a sensible nexus, to facilitate the development of affordable rental housing, and opined that the percentage of the tax allocated to the rental housing trust fund should be increased to sixty-five per cent.

One testifier noted that the federal government discourages the construction of additional public housing communities that encompass a single income population, and instead favors mixed-use communities. Another testifier noted that the Hale Kokua program screens and places homeless individuals in private homes to assist in the care of elderly or infirm individuals, and that this is a challenging practice that may pose a risk if there is a mismatch.

It is the Committees' intent to improve access to shelter and support services for the homeless, and to improve and increase the available public housing and affordable housing inventory.

Upon further consideration, your Committees have amended this measure by:

- (1) Adding additional language regarding the affordable housing issue to the findings section;
- (2) Requiring the affordable housing inventory registry to also include affordable housing projects, and state and federal public housing projects, statewide;
- (3) Allocating sixty-five per cent of conveyance tax revenues to the Rental Housing Trust Fund;
- (4) Extending the sunset date for the allocation of the conveyance tax revenues to the Rental Housing Trust Fund to June 30, 2012;



- (5) Clarifying that the appropriation to the Hawaii Public Housing Authority is for capital improvement projects, as well as for the repair and maintenance of existing federal and state public housing buildings;
- (6) Deleting the appropriations for:
 - (A) The construction of public housing in communities and the assistance of nonprofit organizations in development and management of the communities; and
 - (B) The Hale Kokua Program; and
- (7) Making technical, nonsubstantive changes for the purposes of clarity, consistency, and style.

Your Committees note that while the appropriation amounts are blank, they recommend that the following be considered:

- (1) \$2,000,000 for homeless facilities, emergency shelters, and transitional shelters;
- (2) \$8,000,000 to provider agencies that offer outreach or support services, or both, to unsheltered homeless, at-risk homeless, and individuals residing in homeless facilities;
- (3) \$50,000,000 to the Rental Housing Trust Fund for the planning, development, and construction of affordable housing;
- (4) \$50,000,000 to the Dwelling Unit Revolving Fund for the planning, development, and construction of four thousand affordable housing units. The Committees further recommend that the appropriation be made out of the general revenues as cash instead of issuing general obligation bonds;
- (5) \$40,000,000 in general obligation bonds to the Hawaii Public Housing Authority for capital improvement projects;
- (6) \$10,000,000 for the repair and maintenance of existing federal and state public housing buildings out of the



general revenues as cash, instead of issuing general obligation bonds; and

- (7) \$15,000,000 for the repair and maintenance of elevators in existing federal and state public housing buildings.

Also, your Committees further recommend that the Committee on Economic Development and Taxation explore a request that was made to include an appropriation for Shelter Plus Care.

As affirmed by the records of votes of the members of your Committees on Human Services and Public Housing and Commerce, Consumer Protection, and Affordable Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1917, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1917, S.D. 1, and be referred to the Committee on Economic Development and Taxation.

Respectfully submitted on
behalf of the members of the
Committees on Human Services
and Public Housing and
Commerce, Consumer Protection,
and Affordable Housing,



BRIAN T. TANIGUCHI, Chair


SUZANNE CHUN OAKLAND, Chair



The Senate
 Twenty-Fourth Legislature
 State of Hawaii

Record of Votes
Committee on Human Services and Public Housing
HSP

Bill / Resolution No.:* SB 1917	Committee Referral: HSP/CPH,EDT,NAM	Date:		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
CHUN OAKLAND, Suzanne (C)	✓			
IHARA, Jr., Les (VC)				✓
SAKAMOTO, Norman	✓			
HEMMINGS, Fred	✓			
TOTAL	3	-	-	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency				

*Only one measure per Record of Votes

